

**REPORT TO:** Schools Forum  
**DATE:** 10<sup>th</sup> October 2018  
**REPORTING OFFICER:** Senior Finance Officer  
**SUBJECT:** Forecast Outturn 2018-19  
**WARDS:** Borough wide

## **1.0 PURPOSE OF THE REPORT**

To inform Schools Forum of the forecast outturn position, as currently expected.

## **2.0 RECOMMENDATION: That**

2.1 The report is noted.

## **3.0 SUPPORTING INFORMATION**

3.1 As part of the detailed monitoring of the Dedicated Schools Grant we can report that the forecast outturn position based on expenditure to the end of August 2018 is an overspend of £680,259. A brief overview of how this figure has been reached is attached as Appendix A.

### **3.2 Schools Block**

The Schools Block is fully devolved to maintained primary and secondary schools following the 0.5% transfer to the High Needs Block. Only one in-year adjustment, where necessary, is due for Business Rates. This is done as part of the year-end closedown work.

### **3.3 Central Schools Services Block**

We are currently forecasting an underspend of £137,096. The majority of this is from the Premature Retirement budget originally set at £233,980 as part of the overall £493,980 budget. As we are able to use the £401,000 core budget first, we will only require approximately £100k of DSG to cover the total costs for 2018-19.

### **3.4 Early Years Block**

We have a slight overspend forecast here, of £3,717. The estimated figures include a clawback against the 2017-18 grant allocation as well as an increase of £152,932 to the 2018-19 grant allocation. This is based on current estimated take up of provision although we will not get confirmation of the increased amount until July 2019.

### **3.5 High Needs Block**

The High Needs Block is currently forecast to overspend by £1,031,486. The key areas that are overspending are as follows:

Special Schools	£102,482
Top-up funding	£214,521
Independent Special Schools	£597,279
Inter Authority provision	£166,192
Post 16 provision	£208,100

The overspends have been slightly offset by expected underspends as follows:

Behaviour Support Team	£80,870
Specialist Teams	£115,143
Inclusion division staffing	£45,270

### 3.6 DSG carry forward

The carried forward balance of £466,755 has commitments of £248,907, leaving a balance available of £217,848.

### 3.7 Summary

Schools Block	£0
CSSB	£137,096
Early Years Block	(£3,717)
High Needs Block	(£1,031,486)
DSG cfwd balance	<u>£217,848</u>
Total	(£680,259)

3.8 We have built in all known and expected costs and are monitoring expenditure on a month by month basis, but we have to acknowledge costs will be incurred that are currently unknown to us.

## 4.0 FINANCIAL IMPLICATIONS

4.1 An overspend against the Dedicated Schools Grant in excess of our carried forward balance will result in the overspend having first call against our grant allocation for 2019-20. Thus, next year's grant will effectively be reduced by the level of this year's overspend.

## 5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

### 5.1 Children & Young People in Halton

It is essential that schools receive sufficient funding to allow them to support all children and young people.

### 5.2 Employment, Learning & Skills in Halton

None.

**5.3 A Healthy Halton**

None.

**5.4 A Safer Halton**

None.

**5.5 Halton's Urban Renewal**

None.

**6.0 RISK ANALYSIS**

6.1 The outturn currently forecast will undoubtedly change for a variety of reasons, the level of demand on the High Needs Block budgets is likely to continue to increase. Stringent measures and monitoring are in place to minimise overspending, subject to the LA and all schools/academies working together.

**7.0 EQUALITY AND DIVERSITY ISSUES**

7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.